

***INTERNATIONAL SECURITY / MIDDLE EAST UPDATE***  
***March 1 - 7, 2012***

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**1. [Obama Says Iran Can Show It Is Serious in Upcoming Nuclear Talks](#) (03-06-2012)**

By Stephen Kaufman  
Staff Writer

Washington — President Obama says it is in every country's interest that widespread concerns that Iran is developing nuclear weapons under the cover of a civilian program are resolved diplomatically. "We have a window of opportunity where this can still be resolved diplomatically," he said.

Speaking at a press conference at the White House March 6, Obama said Iran's leaders know that to resolve the issue they will need to return to talks and "discuss in a clear and forthright way ... how to prove to the international community that the intentions of their nuclear program are peaceful."

"There are steps that they can take that would send a signal to the international community and that are verifiable, that would allow them to be in compliance with international norms, in compliance with international mandates, abiding by the Nonproliferation Treaty, and provide the world an assurance that they're not pursuing a nuclear weapon," he said.

Earlier March 6, the European Union's foreign policy chief, Catherine Ashton, announced that she had offered to resume discussions with the Iranians. Ashton represents Russia, China, France, the United Kingdom, Germany and the United States — collectively known as the P5+1 — as their point of contact concerning Iran's nuclear activities.

"I don't expect a breakthrough in a first meeting. But I think we will have a pretty good sense fairly quickly as to how serious they are about resolving the issue," Obama said.

In previous discussions with the P5+1, the Iranian government "has been hemming and hawing and stalling and avoiding the issues in ways that the international community has concluded were not serious," he said.

But over the past three years, the United States has been able to mobilize "unprecedented, crippling sanctions" on the country and now "Iran is feeling the bite of these sanctions in a substantial way. The world is unified. Iran is politically isolated," the president said.

The sanctions will only grow tougher in the coming months as they start to affect Iran's oil industry and its central bank, and Iran's leaders "understand that the world community means business," he said.

The United States will continue to apply pressure on Iran, while at the same time providing "a door for the Iranian regime to walk through where they could rejoin the community of nations," he said.

Asked about the chances of U.S. military action in Syria as a response to Bashar al-Assad's brutal repression of protesters, Obama said U.S. policymakers need to "think through what we do through the lens of what's going to be effective, but also what's critical for U.S. security interests."

The situation in Syria is "much more complicated" than when the United States joined NATO and Arab states in enforcing a no-fly zone and arms embargo in Libya in response to Muammar al-Qadhafi's attacks on Libyan civilians, he said.

"What happened in Libya was we mobilized the international community, had a U.N. Security Council mandate, had the full cooperation of the region, Arab states, and we knew that we could execute very effectively in a relatively short period of time," he said.

The United States has joined the international community's mobilization against the Assad regime through political and economic isolation, and is discussing ways to support the Syrian opposition and provide humanitarian assistance to the Syrian people, he said.

"We are going to continue to work on this project with other countries. And it is my belief that ultimately this dictator will fall, as dictators in the past have fallen," he said.

The president also said that when NATO leaders gather in Chicago in May, they will be discussing benchmarks and steps for the full transition of Afghanistan's security responsibilities to the Afghans themselves over the next two years, with the transition to be completed by 2014.

Like the security transition in Iraq, there are ways to make sure that the reduced role of U.S. and other foreign forces in Afghanistan is gradual, that Afghan security capacity is built up, and "we are putting in place the kinds of support structures that are needed in order for the overall strategy to be effective," he said.

"We're going to be able to find a mechanism whereby Afghans understand their sovereignty is being respected and that they're going to be taking a greater and greater role in their own security," he said. The United States is "not interested in staying there any longer than is necessary to assure that al-Qaida is not operating there and that there's sufficient stability that it doesn't end up being a free-for-all" after international forces have left.

## **2. Panetta: U.S.-Israel Partnership Will Become Closer (03-06-2012)**

By Jim Garamone  
American Forces Press Service

WASHINGTON, March 6, 2012 – Defense cooperation between the U.S. and Israel is already close, and it will get closer as both countries face the threats of the future, Defense Secretary Leon E. Panetta said today.

Panetta spoke to the American Israel Public Affairs Committee here and said the United States and Israel will work closely together in the face of the dangers that confront both countries.

“The security bonds between Israel and the United States will only grow as America goes through a historic turning point after a decade of war,” he said.

In fact, defense cooperation will grow even with U.S. defense budget reductions. Panetta delivered “an ironclad pledge” that the United States will provide whatever support is necessary so Israel maintains military superiority over any state or coalition of states, as well as non-state actors, in the region.

“Israel is surrounded by neighbors that have waged wars against it,” he said. “The Israeli people have been subjected to rocket attacks, to terrorism, and they live in a world where larger nations have threatened to wipe them off the map.”

Supporting Israel is the right thing to do and is in America’s best interests, Panetta said.

“We have no better ally in this critical region of the world,” he said. “A strong Israel deters potential aggressors. A strong Israel sends a message to the region and to the world that America will not waver in defense of our allies.”

The U.S. has increased security assistance to Israel substantially. This year, the budget calls for \$31 billion in assistance to the nation, up from \$2.5 billion in fiscal 2009.

“This is part of a 10-year, \$30 billion commitment to Israel’s security,” Panetta said. “Over and above this commitment, the President has committed more than \$650 million in DOD funding for Israeli missile defense.”

The U.S. is working with Israel to develop an anti-missile system to address the threat from all levels. The system will deal with short-range defense to counter the continued threat of rocket barrages from Gaza. The United States provided more than \$200 million for the Iron Dome rocket defense system.

“Iron Dome is fielded, it is operational, and this new system has already saved the lives of Israeli civilians with over 30 real world successful hit-to-kill intercepts in 2011,” Panetta said.

The two nations are also working on medium range missile defense, developing David’s Sling, and upper tier ballistic missile defense with the Arrow-3 system.

“We are also working to upgrade Israel’s Patriot missile system and batteries,” he said. “We are committed to moving forward with all of these systems and more -- because as the Prime Minister told me -- these missile shields do not start wars, they prevent wars.”

The secretary noted the Israeli air force will receive the world’s most sophisticated warplane -- the F-35 Joint Strike Fighter.

“The F-35 is the future of tactical aviation for the United States military, and providing Israel with this advanced fighter makes it the only country in the Middle East with a true fifth-generation fighter capacity, upholding Israel’s edge not just now but for many years to come,” the secretary said.

The two militaries will not only share equipment, but also operational concepts. U.S. and Israeli service members will build greater capability and improve partnership through realistic exercises, joint training and personnel exchanges, Panetta said.

“Each year, U.S. and Israeli forces take part in numerous exercises,” he said. One example is missile defense exercise Austere Challenge that this year will include more than 3,000 U.S. troops.

“This kind of cooperation is mutually beneficial to both the United States and Israel. It has made both of our militaries stronger,” Panetta said.

The secretary pointed out that cooperation is not just a one-way street. It was an Israeli company that met the call to help protect American soldiers serving in Iraq and Afghanistan by surging production of up-armor kits for Humvees and mine-resistant vehicles.

“The kits were made in an Israeli kibbutz, and they saved the lives of our men and women in uniform,” Panetta said.

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### **3. State's Feltman on Crisis in Syria (03-06-2012)**

U.S. Department of State  
Syria: The Crisis and Its Implications  
Testimony by Jeffrey D. Feltman, Assistant Secretary, Bureau of Near Eastern Affairs  
Washington, DC  
March 1, 2012

ASSISTANT SECRETARY FELTMAN: Thank you. Thank you, Mr. Chairman.

Chairman Kerry, Ranking Member Lugar, distinguished members of the committee, thank you for holding this important hearing.

I appeared before your regional subcommittee in November to discuss the crisis in Syria. And since that time, our European friends have joined us in sanctioning the Central Bank of Syria, impeding the financing of the regime's brutal crackdown. The E.U. has completed its implementation of its embargo on oil purchases from Syria, halting a third of Bashar's government revenues.

The Arab League suspended Syria's membership, with many Arab states downgrading diplomatic relations and freezing Syrian bank accounts. The Arab League put forth a political transition plan for Syria. Over 137 countries -- excuse me -- supported a UN General Assembly resolution condemning the Syrian regime's violence and supporting the Arab League transition plan.

More than 60 countries and institutions met in Tunis as Friends of the Syrian People to endorse the Arab transition plan, to demand an immediate end to the violence, and to commit to practical steps to address the Syrian crisis. The Syrian opposition in Tunis articulated a clear, credible transition plan and addressed minority fears directly and convincingly.

We announced \$10 million in immediate humanitarian assistance, with millions more from other countries. The UN, the Arab League have appointed a joint high-profile envoy, Kofi Annan, with a mandate from the Arab League initiative and the UN General Assembly resolution. And just this morning, the UN Human Rights Council in Geneva overwhelmingly passed a strong resolution, which is the council's fourth, essentially describing the situation in Syria as a manmade humanitarian disaster. And we all know the identity of the man responsible for that disaster.

Now, these are just some of the examples of regional and international resolve. But nevertheless, as both of you have described, we've also seen that the Assad regime has intensified its vicious campaign of attacks against the Syrian people. The situation is, frankly, horrific, including indiscriminate artillery fire against entire neighborhoods, and today's reports from Homs are truly alarming.

Large numbers of Syrians are living every day under siege, deprived of basic necessities including food, clean water and medical supplies. Women and children are wounded and dying for lack of treatment. Innocent people are detained and tortured, and their families left to fear the worst.

Yet, despite the regime's brutality, the people of Syria demonstrate enormous courage. Their determination to continue protesting for their rights, mostly still peaceful protests, is an inspiration and a testimony to the human spirit.

Now, as assistant secretary of state for Near Eastern Affairs watching the upheavals in the Arab world, I'm humble enough to say that we don't know for sure when the tipping point, the breaking point will come in Syria. But it will come.

The demise of the Assad regime is inevitable. It's important that the tipping point for the regime be reached quickly, because the longer the regime assaults the Syrian people, the greater the chances of all-out war in a failed state.

All of the elements of U.S. policy towards Syria are channeled toward accelerating the arrival of that tipping point. As I referred to at the start, through the Friends of the Syrian People group, we are translating international consensus into action.

We are galvanizing international partners to implement more effective sanctions and to deepen the regime's isolation. We're supporting the Arab League's and now the UN General Assembly's call for

an immediate transition in Syria. We're moving ahead with humanitarian assistance for the Syrian people, demanding that attacks cease and access be granted. And we're engaging with the Syrian opposition on their vision for Syria's future, a proud and democratic Syria that upholds the rights and responsibilities of all of its citizens regardless of their religion, their gender or their ethnicity.

Now, together, we're working to persuade frightened communities inside Syria that their interests are best served by helping to build that better Syria, not by casting their lot with a losing regime, a corrupt and abusive regime which has been a malignant blight in the Middle East for far too long. The goal of the opposition and the Friends of the Syrian People alike is as follows: a Syrian-led political transition to democratic government based on the rule of law and the will of the people with protection of minority rights.

I would like to close my opening statement by echoing this committee's praise of my fellow witness and friend, Ambassador Robert Ford.

Ambassador Ford's courageous actions on the ground in Syria these past months have been a great credit to him, to the foreign service, and to the United States. He repeatedly put himself in harm's way to make it clear that the United States stands with the people of Syria and their dream of a better future. And I want to thank this committee for its leadership in supporting his confirmation.

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#### **4. Holder: U.S. National Security Is Based on Values and Laws (03-06-2012)**

By Merle David Kellerhals Jr.  
Staff Writer

Washington — While the nation faces many security threats from extremists outside its borders and within them, the United States will respond to threats based on the rule of law enshrined in the U.S. Constitution and its values, Attorney General Eric Holder says.

“Not only is this the right thing to do — history has shown that it is also the most effective approach we can take in combating those who seek to do us harm,” Holder said in a speech at the Northwestern University School of Law in Chicago March 5.

“Even when under attack, our actions must always be grounded on the bedrock of the Constitution — and must always be consistent with statutes, court precedent, the rule of law and our founding ideals,” Holder said in prepared remarks.

Holder discussed a range of national security topics that illustrate how the Obama administration defines its security efforts, and the legal principles that guide the work across government agencies.

Before the terrorist attacks on September 11, 2001, cooperation among U.S. federal agencies was not commonplace, he said. Domestic law enforcement agencies and the intelligence community operated as largely independent spheres, rarely sharing information. The ensuing attacks made it clear to everyone in the government that no single agency could address the threats posed by determined extremists and terrorists.

As a consequence, the government had to radically update its operations and resources, Holder said. “The lawyers, federal agents and analysts at the Department of Justice work closely with our colleagues across the national security community to detect and disrupt terrorist plots, to prosecute



suspected terrorists, and to identify and implement the legal tools necessary to keep the American people safe,” he told the law students and professors.

Surveillance methods and procedures are one aspect of greater interagency cooperation, but another is the administration of justice either in the U.S. federal civilian courts or through revised military commissions, Holder said. During the administration of former President George W. Bush, most terrorist-related prosecutions were conducted in the civilian federal courts — including the cases of John Walker Lindh, attempted shoe bomber Richard Reid, 9/11 conspirator Zacarias Moussaoui, and hundreds of others.

And during the past three years of the Obama administration, Holder said, there has been a record of successes in terror prosecutions. He cited the October 2011 conviction of Umar Farouk Abdulmutallab for his role in attempting to bomb a commercial airplane traveling from Amsterdam to Detroit on December 25, 2009. Abdulmutallab was sentenced to life in prison without the possibility of parole.

Holder said calls from some in Washington to use military tribunals instead of the federal courts ignore the reality of the convictions that have been obtained and the ability to punish those who attempt to do the United States harm.

However, Holder also said that military commissions “are also appropriate in proper circumstances” in convicting terrorists and disrupting their plots. He said President Obama has ordered the strengthening of procedural protections on which the commissions are based to ensure effectiveness. Congress passed the Military Commissions Act of 2009 to improve the processes used by the commissions and strengthen their legality under the Constitution.

“It’s important to note that the reformed commissions draw from the same fundamental protections of a fair trial that underlie our civilian courts,” Holder said. “They provide a presumption of innocence and require proof of guilt beyond a reasonable doubt.” A military commission also provides for legal counsel to represent those charged as well as the right to present evidence and to cross-examine witnesses during trial, he added.

Holder said the administration keeps appropriate members of Congress informed as necessary about actions being taken to deal with any imminent threats of violent attack against the United States.

“The unfortunate reality is that our nation will likely continue to face terrorist threats that, at times, originate with our own citizens,” he said.

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## **5. President Obama’s Remarks with Israeli Prime Minister Netanyahu (03-05-2012)**

PRESIDENT OBAMA: Well, I want to welcome Prime Minister Netanyahu and the entire Israeli delegation back to the White House, back to the Oval Office.

This visit obviously comes at a critical time. We are seeing incredible changes that are taking place in the Middle East and in North Africa. We have seen the terrible bloodshed that’s going on in Syria, the democratic transition that’s taking place in Egypt. And in the midst of this, we have an island of democracy and one of our greatest allies in Israel.

As I’ve said repeatedly, the bond between our two countries is unbreakable. My personal commitment -- a commitment that is consistent with the history of other occupants of this Oval

Office -- our commitment to the security of Israel is rock solid. And as I've said to the Prime Minister in every single one of our meetings, the United States will always have Israel's back when it comes to Israel's security. This is a bond that is based not only on our mutual security interests and economic interests, but is also based on common values and the incredible people-to-people contacts that we have between our two countries.

During the course of this meeting, we'll talk about the regional issues that are taking place, and I look forward to the Prime Minister sharing with me his ideas about how we can increase the prospects of peace and security in the region. We will discuss the issues that continue to be a focus of not only our foreign policy but also the Prime Minister's -- how we can, potentially, bring about a calmer set of discussions between the Israelis and the Palestinians and arrive at a peaceful resolution to that longstanding conflict. It is a very difficult thing to do in light of the context right now, but I know that the Prime Minister remains committed to trying to achieve that.

And obviously a large topic of conversation will be Iran, which I devoted a lot of time to in my speech to AIPAC yesterday, and I know that the Prime Minister has been focused on for a long period of time. Let me just reiterate a couple of points on that.

Number one, we all know that it's unacceptable from Israel's perspective to have a country with a nuclear weapon that has called for the destruction of Israel. But as I emphasized yesterday, it is profoundly in the United States' interest as well to prevent Iran from obtaining a nuclear weapon. We do not want to see a nuclear arms race in one of the most volatile regions in the world. We do not want the possibility of a nuclear weapon falling into the hands of terrorists. And we do not want a regime that has been a state sponsor of terrorism being able to feel that it can act even more aggressively or with impunity as a consequence of its nuclear power.

That's why we have worked so diligently to set up the most crippling sanctions ever with respect to Iran. We do believe that there is still a window that allows for a diplomatic resolution to this issue, but ultimately the Iranians' regime has to make a decision to move in that direction, a decision that they have not made thus far.

And as I emphasized, even as we will continue on the diplomatic front, we will continue to tighten pressure when it comes to sanctions, I reserve all options, and my policy here is not going to be one of containment. My policy is prevention of Iran obtaining nuclear weapons. And as I indicated yesterday in my speech, when I say all options are at the table, I mean it.

Having said that, I know that both the Prime Minister and I prefer to resolve this diplomatically. We understand the costs of any military action. And I want to assure both the American people and the Israeli people that we are in constant and close consultation. I think the levels of coordination and consultation between our militaries and our intelligence not just on this issue but on a broad range of issues has been unprecedented. And I intend to make sure that that continues during what will be a series of difficult months, I suspect, in 2012.

So, Prime Minister, we welcome you and we appreciate very much the friendship of the Israeli people. You can count on that friendship always being reciprocated from the United States.

PRIME MINISTER NETANYAHU: Thank you.

PRESIDENT OBAMA: Thank you.



March 7, 2012

PRIME MINISTER NETANYAHU: Mr. President, thank you for those kind words. And thank you, too, for that strong speech yesterday. And I want to thank you also for the warm hospitality that you've shown me and my delegation.

The alliance between our two countries is deeply appreciated by me and by everyone in Israel. And I think that, as you said, when Americans look around the Middle East today, they see one reliable, stable, faithful ally of the United States, and that's the democracy of Israel.

Americans know that Israel and the United States share common values, that we defend common interests, that we face common enemies. Iran's leaders know that, too. For them, you're the Great Satan, we're the Little Satan. For them, we are you and you're us. And you know something, Mr. President -- at least on this last point, I think they're right. We are you, and you are us. We're together. So if there's one thing that stands out clearly in the Middle East today, it's that Israel and America stand together.

I think that above and beyond that are two principles, longstanding principles of American policy that you reiterated yesterday in your speech -- that Israel must have the ability always to defend itself by itself against any threat; and that when it comes to Israel's security, Israel has the right, the sovereign right to make its own decisions. I believe that's why you appreciate, Mr. President, that Israel must reserve the right to defend itself.

And after all, that's the very purpose of the Jewish state -- to restore to the Jewish people control over our destiny. And that's why my supreme responsibility as Prime Minister of Israel is to ensure that Israel remains the master of its fate.

So I thank you very much, Mr. President, for your friendship, and I look forward to our discussions. Thank you, Mr. President.

PRESIDENT OBAMA: Thank you very much.

Thank you, everybody.

END 11:02 A.M. EST

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## **6. State's Gordon on Trans-Atlantic Cooperation, NATO (03-02-2012)**

U.S. Department of State  
Remarks by Philip H. Gordon, Assistant Secretary, Bureau of European and Eurasian Affairs  
International Institute for Strategic Studies  
Washington, DC  
March 1, 2012

### **The United States and Europe: Meeting Global Challenges**

Andrew, thanks very much indeed. It really is a pleasure to be back at the IISS, to see so many distinguished colleagues and a lot of old friends in the room as well.

It has actually been 18 years since I set off from Washington to London to join as a Senior Fellow. I would just start by noting that the Institute and the world have both changed an awful lot in that time.

IISS when I was there was already an international institute, to be sure, but in the intervening time it has truly globalized. The fact that we're speaking now and streaming to places all around the world is indicative of that, as are the conferences that you hold in Singapore and Geneva and Bahrain and elsewhere. I think the Institute's membership now is up to over 100 countries, again underscoring truly the global nature of this institution. What hasn't changed is the quality of the Institute's work, which remains widely read and respected all around the world.

The Euro-Atlantic community itself has changed considerably since my time in London. In 1994, which was when I arrived, NATO if you recall was still agonizing over whether to operate "out of area". The European Union still only had 12 members. The Balkans were at war. Russia was coping with economic turmoil and the loss of an empire. And at that time Europe's economic problems seemed to stem not from the existence of a common currency but from the lack thereof.

Today the challenges are very different, but arguably even greater. Indeed, while I think we all need to remind ourselves not to fall victim to the fallacy that the problems we face today are worse than ones previously faced, I do think it is fair to say that in 2009 President Obama inherited a global agenda frankly as daunting as any administration had faced for many decades. He faced major wars in Iraq and Afghanistan, a growing nuclear challenge from Iran, the ongoing threat of global terrorism, and the greatest financial crisis since the 1930s. It didn't feel that way at the time, but looking back on those years in the mid-1990s it really was a time of relative peace and prosperity.

Transatlantic unity was also under great strain when President Obama took office. Recall the deep divisions over Iraq, the debate about how to handle the nuclear threat from Iran, the growing European doubts about engagement in Afghanistan, and a U.S. relationship with Russia that was at its lowest point since the end of the Cold War due to tensions over missile defense, NATO enlargement, and especially the Russia-Georgia war of August 2008.

According to the German Marshall Fund's Transatlantic Trends survey in 2008, just 19 percent of Europeans approved of the President's handling of international policies and just 36 percent viewed U.S. leadership in world affairs as desirable.

That was the landscape that the President inherited when he took office in January 2009. And one of the most urgent agenda items he had was to win back the world's trust, especially the trust of our European partners. His premise was that the current challenges are so great that even America's unparalleled power could not deal with them alone. The President articulated his vision for transatlantic cooperation during a little speech he gave in Berlin in the summer, saying that "Partnership and cooperation among nations is not a choice; it is the one way, the only way, to protect our common security and advance our common humanity." And he made clear that "America has no better partner than Europe" when it comes to the need for strong allies who can help us deal with a changing world.

Let me say, this administration has invested very deliberately and consciously in strengthening the ties that he was referring to.

Last week Secretary Clinton made her 28th trip in office to Europe. She speaks regularly with her European counterparts, sometimes several times a day. President Obama has so far visited Europe ten times. His first overseas trip was less than three months into his presidency. He attended a G20 summit in London, the NATO summit in Strasbourg-Kehl, the US-EU summit in Prague, and then he went on to Turkey. Two years later when he was speaking in Poland on a trip that included stops in Ireland, the United Kingdom and France as well, he called the transatlantic alliance a "foundation

stone for American security". The reason was because "we share ideals. We share values. And we have taken on consistently leadership on some of the toughest challenges that face the world".

This administration has not only sought to bring a new tone to the transatlantic relationship in which we respect the positions of others and welcome the chance to talk honestly about our differences. The President has also demanded strong engagement from other countries. As he told the United Nations General Assembly in September 2009, dealing with global challenges "cannot solely be America's endeavor". He warned that "those who used to chastise America for acting alone in the world cannot now stand by and wait for America to solve the world's problems alone".

Now I gave you the background to the President's thinking about the transatlantic relationship and his approach to the transatlantic relationship because I want to talk about how we have delivered on that approach in the first three years of this administration.

Three years into this administration I would assert that the United States and Europe have never been more aligned, both in overall strategic goals as well as the tactics that we use to achieve those goals. While the foreign policy challenges today are no less pressing -- indeed many exist alongside a host of new problems -- we have been able to approach them more effectively because we've been doing so together with our European allies. It's not to say there aren't differences across the Atlantic as there are within Europe and obviously within the United States for that matter. But the reality is that we have a common transatlantic agenda and we're putting our forces together to deal with a very challenging world.

Recent opinion polls confirm the positive effects of this collaborative approach. Take the same German Marshall Fund polling that I cited earlier from 2008 and it shows that European support for President Obama's handling of international affairs was 83 percent in 2009, 78 percent in 2010 and 75 percent last year. I think still a remarkable degree of support for what the United States is trying to do in the world.

Now let me be clear that approval for our policies, support for our leadership, and even working together are not ends in and of themselves. They are means to the end of more effective international engagement to promote peace, stability and prosperity in the United States and around the world. I would just like to ask you to consider some of the ways in which we are doing just that on the major issues of the day.

Take Afghanistan where our European allies have been critical to NATO's efforts. With nearly 40,000 European troops on the ground fighting alongside our own, we have built and sustained NATO's largest-ever overseas deployment. For a decade now, the Alliance has held firm to the principle of "in together, out together". That commitment has not faltered during discussions of the transition of security responsibilities to the Afghan National Security Forces in 2014, which will be one of the key topics of the upcoming NATO Summit in Chicago.

Despite the current difficulties, let's also not forget that enormous progress has been made in decimating al-Qaida's leadership. We remain committed to a partnership with the Afghan people and government as we work to realize our shared goals of disrupting, dismantling, and defeating al-Qaida as well as building a safer, more secure and prosperous Afghanistan.

On Libya, President Obama demonstrated leadership by leveraging unique American capabilities to create a coalition that shared the burden effectively. He made a deliberate decision to seek a UN Security Council mandate, work through the NATO alliance, and seek support from Arab states and other partners. With UN authorization, the United States used those unique assets to take down

Libya's integrated air defense system in a coalition with European allies. Ten days later we handed command and control of the mission over to NATO, while continuing to provide the bulk of the intelligence, surveillance and reconnaissance, in-air refueling, jamming and other critical capabilities. We are continuing to work closely with our partners on the transition in Libya.

On Iran, Iran was moving closer to a nuclear weapons capability in 2009 as was evidenced by the discovery of a covert enrichment facility. The United States and Europe have together offered Iran a way to resolve differences between us through diplomacy. Iran, however, has not yet engaged seriously. And so we have coordinated with our partners in Europe and around the world on a dual track policy to increase pressure to sharpen the choice for the Iranian regime. And I want to stress, we have enjoyed unprecedented unity with the European Union on this approach, including support for UN Security Council Resolution 1929, several IAEA Board of Governors resolutions, and the recent -- and I would even say surprising to many, pleasantly surprising here in Washington -- the decision by the European Union to ban Iranian crude oil imports and to freeze the assets of the Iranian central bank. We are continuing to work extremely closely with the E3+3 to engage Iran in serious discussions without preconditions.

Again, I ask you to contrast this to the divisions that previously plagued us over issues like Iran. When I was in London at the IISS I wrote an Adelphi Paper about differences over the Middle East, and particularly on Iran. It wasn't hard to fill up the size of the manuscript about those differences. The point being we had gone from that, very significant differences about pressure versus engagement, to what I really think is pursuing the same policy together on Iran.

In Syria, the violence perpetrated by the Assad regime in reaction to what began as a peaceful opposition movement is unacceptable. Once again we have worked closely with our European partners to steadily ratchet up pressure through multiple rounds of sanctions. We have also engaged in active diplomacy in major UN bodies to unite the international community behind the Arab League's call for an immediate halt to violence; a negotiated political solution to enable a democratic transition; and a coordinated response to the growing humanitarian crisis.

Last week Secretary Clinton joined her European counterparts and leaders from over 60 countries in Tunisia to coordinate our approach to these goals and to send a clear signal that despite being blocked in the Security Council, the broader international community will pursue all available measures to secure a peaceful solution to the crisis in Syria. And once again, the United States and Europe are united in doing so.

Our cooperation is not just global, as is clear from some of the examples I've just given. But it also applies closer to home, or I should say closer to Europe, where the United States has again been working extremely closely with our European partners to address remaining challenges within Europe. I'm pleased to say after months of closely coordinated diplomacy the United States and European Union both welcomed an agreement between Serbia and Kosovo last week in the EU-facilitated dialogue -- which the United States observes and strongly supports -- that will ensure Kosovo's representation in regional forums and a technical protocol on Integrated Border Management between the two countries. We were pleased that the EU General Affairs Council just this week decided to recommend candidacy status for Serbia and that the EU has also taken steps to strengthen its relationship with Kosovo. We're encouraged also by recent developments in Bosnia, including agreement on a Council of Ministers and adoption of a state budget, once again something that the United States and Europe have worked closely to achieve.

We have also, together, worked to support the Swiss-mediated agreement between Georgia and Russia that paved the way for Russia's invitation to the World Trade Organization last December.

And we've continued our high-level engagement in the Minsk Group to help find a lasting, peaceful settlement to the Nagorno-Karabakh conflict. At the OSCE, an important forum for recognizing the crucial role played by human rights in security, the United States and the European Union continue to coordinate a joint response to the troubling events in Belarus.

And of course we have worked very closely on the challenges of the Eurozone crisis. The President has been speaking very regularly to his counterparts in the Eurozone, and Treasury Secretary Geithner is obviously doing the same. He has traveled recently several times to Europe to engage his counterparts. We remain confident that the EU has the will and the means not only to cut its debt and build the necessary firewalls, but also to create growth and to restore liquidity and market confidence.

We welcome the steps that European leaders have taken to resolve the debt and banking crisis, including the commitment made at the EU Summit on January 30th to introduce fiscal consolidation, the economic reforms agreed to by Prime Minister Papademos in Greece and his European counterparts last month, as well as ongoing efforts -- I should say very impressive efforts -- by Prime Minister Monti in Italy and President Rajoy in Spain to lay the groundwork for developing more dynamic economies and addressing vulnerabilities.

In addition to working with our EU partners on all the challenges I have mentioned, I want to particularly underscore the work we have done with and on two other important countries in Europe, which is Turkey and Russia. President Obama and Secretary Clinton maintain very regular and very close contacts with their Turkish counterparts as part of a deliberate investment in that relationship, which we think has paid off. As a NATO member, Turkey has made important contributions to our joint efforts in Afghanistan, including by deploying troops. And on two areas of potential divergence -- Libya and Syria -- Turkey has worked actively with the United States and the international community to promote peaceful solutions. At the same time, we continue to speak honestly with Turkey about our differences, including on Iran and Israel. While we regretted, and made clear that we regretted, Turkey's efforts to deal with the Iran nuclear program outside the E3+3 format and its decision to vote against Security Council Resolution 1929, we appreciate Turkey's enforcement of sanctions and efforts to prevent illicit procurement.

As is quite well known I think to this group and others, President Obama has sought to reset relations with Russia. This policy has been guided by the belief that we could cooperate on areas of mutual interest while speaking plainly about our areas of disagreement, maintaining support for our friends, and holding firm to our principles. The development of a more effective working relationship with Russia has led to mutually beneficial foreign policy achievements, including agreement on a New START Treaty, the 123 Agreement on nuclear cooperation, a military transit accord on Afghanistan, and cooperation on Iran sanctions. This year we look forward to welcoming Russia to the World Trade Organization, an agreement that was nearly 20 years in the making and something we believe will benefit Russia, the United States and Europe. We're working with Congress to terminate the application of the Jackson-Vanik Amendment to Russia before it formally joins the WTO.

Despite some initial misgivings about the reset, the value of stronger U.S.-Russia relations has been recognized by allies in NATO as well as in Central and Eastern Europe. For example, we welcomed the Polish-Russian "reset" and have worked to improve coordination of issues such as energy security. We have also sought to manage our differences with Russia on Georgia by engaging the two in regular dialogue through the Geneva discussions and seeking to ensure greater stability and transparency on the ground.



Finally, let me say a word about the NATO summit that President Obama will be hosting in Chicago this May. When I was working on NATO issues at the IISS, the Alliance had just 16 members and had never conducted a military operation, anywhere. When in 1996 as the editor of *Survival* I chose to publish an article advocating NATO's enlargement to the Baltic States, some people thought I was just being provocative or maybe was a little bit crazy.

Today NATO has 28 members, dozens of partners across the globe, a proven track record of providing stability within Europe and beyond its borders. NATO's ongoing missions in Kosovo, Afghanistan, and off the horn of Africa as well as its recent operation in Libya demonstrate its significant contributions to global security. At a time of budgetary austerity across the industrialized world, it is worth remembering that NATO has proven to be the most successful alliance in history and provides the most effective security for its members.

But we also have to recognize the need to find new ways to make our collective defense spending smarter and more efficient. NATO Secretary General Rasmussen, who has just been in Washington the last two days for consultations with our government, has put an emphasis on "smart defense", which includes initiatives such as common Baltic Air Policing and common funding of Alliance Ground Surveillance, which can both help ensure our security while minimizing costs.

The summit's overarching goal is to build on decisions reached in the Lisbon Summit of 2010. And in particular, the Alliance will define its collective next steps for security transition in Afghanistan; announce the completion of collective capability commitments, including we hope an interim operating capability for ballistic missile defense; and to recognize the crucial role played by partners in NATO operations.

To conclude, the United States and Europe have made considerable progress in recent years toward addressing common challenges, including the transition to a civilian-led mission in Iraq, agreement on steps for drawing down forces in Afghanistan, and the prevention of mass atrocities in Libya. The President's approach has proven, we think, that we are more effective when working constructively together toward common goals.

The agenda that is still before us, most urgently the rapidly deteriorating security situation in Syria, clearly remains daunting. And of course there are many many other issues that I haven't had time here to address, from helping North Africa and the Middle East in its democratic transition, the question of China's emerging power, new leadership in North Korea, climate change, the threat posed by Somali pirates off the Horn of Africa and many many others. But I think by talking a little bit about the extensive list of areas where we are cooperating extraordinarily closely, and contrasting it, if you will, to previous periods, and I don't mean just the previous years but even decades before that, I think it says a lot about the approach that the President brought to this relationship, what we've been trying to do over the past three years, and what we intend to do in the future.

On every single one of the issues I mentioned, close transatlantic cooperation is an indispensable starting point. To retain an effective working relationship, countries on both sides of the Atlantic must continue, as we have done, to engage in frank dialogue, smart defense spending, and cooperative policy-making.

Secretary Clinton could not have summed it up more succinctly than she did in a joint appearance with Secretary of Defense Panetta in Munich just last month when she said, "Today's transatlantic



community is not just a defining achievement of the century behind us. It is indispensable to the world we hope to build together in the century ahead.”

Thank you very much for your attention, and I look forward to taking your questions and having a discussion.

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## **7. Iran Sanctions Enter New Phase, U.S. Official Says (03-01-2012)**

Washington — The United States and its partners are tightening sanctions against Iran to compel it to stop its illicit nuclear program, a U.S. Treasury official says.

Under Secretary of the Treasury David Cohen said the European Union (EU), the United States and other countries are entering “a new phase in our sanction efforts” designed to reduce Iran’s revenues from oil exports and to isolate its central bank. [Cohen spoke at a February 29 anti-money laundering conference](#) in New York.

He said the threat posed by Iran's nuclear program is “increasingly dire.”

“We are leaning heavily on sanctions in our efforts to bring about a peaceful resolution to the situation,” Cohen said.

Iran says all of its nuclear activities are peaceful.

Cohen said that until Iran commits to “sustained” negotiations over its international nonproliferation obligations, Washington will have “no choice but to continue to increase the pressure on Tehran, including by imposing ever more powerful sanctions.”

Under a law that will be phased in over several months, Cohen said, foreign banks and companies risk losing access to U.S. financial institutions if they engage in certain transactions, including those related to petroleum purchases, with Iran’s central bank.

The United States and its partners have imposed a host of restrictions on banking, shipping, insurance, trade, commodities and a number of government entities. The Belgian-based bank clearing network known as Swift said in February it severed its relations with blacklisted Iranian banks. In January, the EU announced that it would ban imports of Iranian petroleum and its products, freeze the assets of the Iranian central bank, and take additional action against Iran’s energy, financial and transport sectors. Dubai-based Noor Islamic Bank said February 28 it cut off relations with Iranian banks in December.

Cohen cited financial transparency as the key to thwarting Iran’s efforts to evade the sanctions that he said are likely to continue.

Despite those efforts, Iran’s economy has suffered as a result of the economic and financial pressure, according to Cohen. That is “reflected most dramatically in its plummeting currency,” which has lost half of its value since September 2011, he said. Iranian trade has been disrupted to such an extent that, as of late last year, many Iranian banks were experiencing capital shortages.

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